

Appn. No. 09/480,643
Arndt. dated Feb. 13, 2006
Reply to Office Action dated Dec. 12, 2005

Remarks/Arguments

These remarks are in response to the Office Action dated December 12, 2005 (Office Action). No fee is believed due and no new matter has been introduced. Claims 1, 3-6, 9, 10, and 14-21 are pending and have been rejected under 35 U.S.C. § 103(a) as being unpatentable over U.S. Patent No. 6,317,718 to Fano (Fano) in view of U.S. Patent No. 6,434,159 to Woodward et al. (Woodward) and further in view of U.S. Patent No. 6,647,373 to Carlton-Foss (Carlton-Foss).

The Applicants' invention relates to a method and system for facilitating commercial transactions through the use of a mobile wireless device. In accordance with the present invention, a mobile wireless device associated with a user can store preferences and desired transactions for the user. In one embodiment, the mobile wireless device communicates directly with merchant systems over short range, ad-hoc, wireless communication links without a centralized transmitter and/or e-commerce system. The geographic area over which the Applicants' invention operates is determined via proximity of the user's mobile wireless device to a merchant communication system. This geographically limited area is determined by the physical coverage of the various short-range, wireless, ad-hoc communication networks in place on merchant premises.

Turning to the rejections on the art, claims 1, 3-6, 9, 10, and 14-21 have been rejected under 35 U.S.C. § 103(a) as being unpatentable over Fano in view of Woodward in further view of Carlton-Foss. Fano has been cited for teaching all aspects of the Applicants' claimed invention with the exception "communicat[ing] directly with local merchants in the local area over a short range wireless communication link". Woodward has been cited for disclosing a short range wireless communication system where the local area is defined by proximity of the mobile wireless device to the short range wireless communication system. Carlton-Foss has been cited for demonstrating a "networked based competitive bidding process".

On page 5 of the Office Action, it is asserted that:

[I]t would have been obvious to one of ordinary skill in the art at the time the invention was made to utilize the short range wireless system of Woodward into the system of Fano because it would provide less extensive network components to support for a network between everyday electronic devices and would allow portability and movability of nodes. And it would have been obvious to one of

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ordinary skill in the art at the time the invention was made to utilize the combined systems of Fano and Woodward with a competitive bidding process, such as the one shown in Carlton-Foss. The motivation for such a change in Fano can be seen in column 1, lines 1-4 of Carlton-Foss, which teaches the advantage of this system is that it results in greater value for requestors, as well as greater sales and broader distribution for sellers who are prepared to be competitive in their offerings. By incorporating an auction format, which is available to a wide audience by electronic means, the inventive system results in more bidders, greater response, and hence lower costs and greater value for the requestor.

The Applicants' respectfully disagree with the above reasoning and submit that a prima facie case of obviousness has not been made.

To establish a prima facie case of obviousness, there must be (1) some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify the reference or to combine reference teachings, (2) a reasonable expectation of success, and (3) the prior art references must teach or suggest all the claim limitations. MPEP § 2143. The Applicants submit that the references lack the requisite motivation to combine and, were the references to be combined, there would not be a reasonable expectation of success.

First, there is no motivation to combine the teachings of Fano with those of Woodward. The teachings of Fano actually teach away from those of Woodward such that one addressing the problems solved by the Applicants' invention would not turn to either Fano or Woodward for a solution.

Fano discloses a large, centralized system which utilizes Web-based servers to manage data and to perform the functions disclosed therein. This has been well documented in Applicants' response of October 17, 2005, on pages 9-10. Additionally, Fano explicitly states that the system does not require the presence of any special equipment at the mall itself. *See* Fano col. 47, lines 23-26. Notably, it is the centralized Web-based nature of the system that allows merchants in the Fano system to escape the use of "specialized" equipment as any interaction with the Fano system requires only a general purpose computer system, a browser, and an Internet connection. The "specialized" software and/or hardware is centrally located and maintained on the Web.

In contrast, the Applicants' invention does not utilize a centralized e-commerce system. Each participating merchant operates its own short-range, wireless, ad-hoc, communication

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system on-premises. Thus, specialized equipment, i.e. access points etc., is required. One byproduct of this embodiment is that the threshold to participate in the Applicants' system is lower than that of Fano and the cost of the Applicants' system is spread to individual merchants rather than being consolidated into a centrally managed e-commerce system. Further, as noted, the Applicants' invention requires no supplier/retailer approval, no integrator, and no ongoing commitment on the part of a merchant in the form of a subscription.

In view of the above, the short-range, ad-hoc nature of the present invention is contrary to the teachings of Fano. Still, because Woodward discloses a short range, wireless communication system, it has been suggested that including a short-range, wireless communication system into Fano would have been obvious. Such reasoning, however, overlooks and conflicts with the explicit teachings of Fano. Specifically, Fano neither describes nor contemplates any system other than a centralized, Web-based, e-commerce system. Fano further explicitly states that no special equipment is required at the mall itself, i.e. by merchants. To suggest that inclusion of the Woodward short-range communication system into the system of Fano is obvious is to dismiss the entire discussion of the way in which Fano operates and to ignore a principle specifically advanced by Fano as an advantage of the Fano invention (i.e. no specialized equipment). The proposed modification effectively renders Fano unsatisfactory for its intended and stated goal.

It is also suggested that combining Fano with Woodward would provide for the portability and mobility of nodes. Applicants' reiterate that Fano is not concerned with the mobility of nodes. Fano explicitly states that operation indoors, i.e. within a shopping mall, is a preferred embodiment. The mobility of a merchant store is not a concern in such an embodiment.

On another note, page 6 of the Office Action states that "the GPS system of Fano would take [Applicants' invention] a step further by covering a broader range of wireless communication than the short range, ad-hoc system [of the Applicants' invention] would allow". The Applicants believe that this statement is illustrative of the way in which the references have been improperly combined and compared with the Applicants' invention. The use of GPS technology would not take the Applicants' invention "one step further". To suggest the inclusion of GPS in this embodiment of the Applicants' invention is to overlook the advantages and system workings that have been described within this and prior responses.

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The use of GPS technology adds a degree of undue complication and redundancy to the Applicants' invention. The Applicants' invention utilizes the range of the short-range, ad-hoc, wireless communication system(s) to determine proximity. The use of GPS technology adds redundancy in that exact location coordinates of the user are unnecessary for operation of the Applicants' invention. GPS adds complexity in that it becomes yet another communications standard and set of components that must be accounted for in the system design. As noted in the October 17, 2005, response, GPS, in fact, can be less robust with respect to indoor use. This point was noted because Fano would be inoperable if the user's mobile device was unable to obtain GPS coordinates indoors – a situation likely to occur indoors and documented in Applicants' prior response.

The exclusion of GPS from the Applicants' invention means that the system can function whether or not the user's device is GPS-enabled. The user is relieved from having to purchase or utilize a more expensive and/or complex mobile device that has GPS capability. Instead, merchants are required to install wireless access points on premises. Again, Fano states that specialized equipment on merchant premises would not be necessary. Finally, the Applicants' invention does not seek a "broader" range of communication which the Office Action asserts is an advantage to the use of GPS. Rather, the Applicants' invention seeks to limit the available field of merchants to those that are proximate to the user and/or the user's mobile device.

Applicants also submit that the combination of Carlton-Foss with either Fano or Woodward is improper. While Carlton-Foss has been cited for teaching an electronic reverse auction system, the Carlton-Foss system operates using a centralized host processing system, i.e. on the Internet. *See* col. 3, lines 43-46. The rationale for combining Carlton-Foss has been stated as being that "greater value for requestors, as well as greater sales and broader distribution for sellers who are prepared to be competitive in their offerings" can be achieved. Rather than limiting the geographic area of the reverse auction, Carlton-Foss seeks to expand the area and obtain a "geographically diverse audience". *See* col. 4, lines 8-13. Thus, although the rationale for including Carlton-Foss appears logical, it is actually contrary to the purpose and workings of the Applicants' invention. That is, Carlton-Foss is completely unconcerned with the location of bidders and seeks to expand the geographic area from which bidders can participate, while the Applicants' invention deliberately limits the pool of consumers. The suggested combination of Carlton-Foss with Woodward, for example, renders Carlton-Foss unsatisfactory for its intended

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purpose. Further, Carlton-Foss teaches away from the Applicants' invention in its quest for an ever increasing geographic area from which to attract bidders. It is also worth noting that the use of short-range, ad-hoc, wireless communications would not serve the interests of Carlton-Foss as the range of bidders would likely be limited significantly.

As neither Fano, Woodward, Carlton-Foss, nor any combination thereof teaches or suggests the present invention as claimed, withdrawal of the 35 U.S.C. § 103(a) rejection with respect to claims 1, 3, 5-6, 9, 10, and 14-21 is respectfully requested. The Applicants believe all claims to be in condition for allowance, which action is respectfully requested. The Applicants invite the Examiner to call the undersigned if it is believed that a telephonic interview would expedite prosecution of the application to an allowance.

Respectfully submitted,

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Date


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